



# Iowa Department of Human Services

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## INFORMATIONAL LETTER NO.1665

**DATE:** May 3, 2016

**TO:** Iowa Medicaid Case Managers, Service Workers, Supervisors, Service Area Administrators, Integrated Health Homes (IHH), Health Homes (HH), Home- and Community-Based Services (HCBS) Waiver Providers, HCBS Habilitation Providers and Managed Care Organizations (MCO)

**FROM:** Iowa Department of Human Services (DHS), Iowa Medicaid Enterprise (IME)

**RE:** HCBS Prevocational and Supported Employment Service Changes

**EFFECTIVE:** May 4, 2016

This letter is to serve as notification that the IME has promulgated rules implementing changes to the provider qualifications, service definitions and reimbursement methodologies for HCBS Prevocational and Supported Employment services under the HCBS Brain Injury Waiver, Intellectual Disability Waiver, Habilitation and The Money Follows the Person (MFP) programs.

### Background:

The department entered into a stakeholder engagement process with prevocational and supported employment stakeholders in 2013 to redesign the HCBS Prevocational and Supported Employment services. The Employment Services Redesign was intended to bring HCBS prevocational and employment services into compliance with the definitions and service structure as provided by the Centers for Medicare and Medicaid Services (CMS) in their 2011 bulletin and the 2015 1915 (c) Technical Guide.

### Purpose:

The changes to the administrative rules are intended to comply with the CMS advisement on employment services, comport with recent national activity regarding Olmstead, and further Iowa's Employment Vision, "Employment in the general workforce is the first priority and the expected and preferred outcome in the provision of publically funded services for all working age Iowans with disabilities."

### The following administrative rules will change:

	HCBS Habilitation	HCBS ID Waiver	HCBS BI Waiver
Provider Qualifications and Staff Training Requirements	<a href="#">441.77.25 (8) and 77.25 (9)</a>	<a href="#">77.37(16) and 77.37 (26)</a>	<a href="#">77.39(15) and 77.39(22)</a>
Service Definition, Limitations and Exclusions	<a href="#">441.78.27</a>	<a href="#">441.78.41</a>	<a href="#">441.78.43</a>
Reimbursement Methodology	<a href="#">441.79.1</a>	<a href="#">441.79.1</a>	<a href="#">441.79.1</a>
Other Eligibility related limitations		<a href="#">441.83.60 and 441.83.61</a>	<a href="#">441.83.81 and 441.83.82</a>

**Procedure Codes and Fee Schedule effective May 4, 2016:**

Service/Activity	New Code	Basis	Unit	Rate
Prevocational Daily	The daily services will be obsolete. All services will be hourly			
Prevocational Hourly	T2015	Fee Schedule	Hourly	\$9.91
Career Exploration (New Service)	T2015 U3	Fee Schedule	Hourly	\$37.89
Supported Employment - Individual Long Term Job Coaching:				
Tier 1 = 1 Contact / Month	H2025	Fee Schedule	Month	\$67.00
Tier 2 = 2-8 Hrs./Month	H2025 U3	Fee Schedule	Month	\$358.00
Tier 3 = 9-16 Hrs./Month	H2025 U5	Fee Schedule	Month	\$715.00
Tier 4 = 17-25 Hrs./Month	H2025 U7	Fee Schedule	Month	\$1,118.00
Tier 5 = 26+ Hrs./Month	H2025 UC	Fee Schedule	Hour	\$44.71
Supported Employment - Small Group				
Tier 1 = Groups of 2-4	H2023 U3	Fee Schedule	Per person, 15-min unit	\$2.81
Tier 2 = Groups of 5-6	H2023 U5	Fee Schedule	Per person, 15-min unit	\$1.75
Tier 3 = Groups of 7-8	H2023 U7	Fee Schedule	Per person, 15-min unit	\$1.25
Supported Employment-Individual Supported Employment	T2018	Fee Schedule	Hourly	\$65.47
Job Development T2018	This service will be included as part of the Individual SE T2018 above			
Employer Development H2024	This service will be included as part of the Individual SE T2018 above			
Enhanced Job Search Activities H2019	This service will be included as part of the Individual SE T2018 above			

- **Please note that the Level II HCPCS Modifiers have changed from those published on previous drafts shared**

**Service Plan Changes for Fee-for-Service (FFS) Members:**

Beginning May 4, 2016, Case Managers (CM) and IHH Care Coordinators (CC) can begin making changes to FFS member service plans for dates of service occurring on or after May 4, 2016. CMs and IHH CCs will have the month of May to update FFS member service plans in the Individualized Services Information System (ISIS) to enable providers to bill in June for services delivered in May. Employment services provided on May 1-3, 2016, will use the old

codes for billing. The new codes must be submitted for payment for dates of service on or after May 4, 2016.

Members participating in daily Prevocational Services	Beginning May 4, 2016, the daily prevocational procedure code is obsolete. The CM or IHH CC should determine the number of hours of Prevocational services the member is participating each day. The CM or IHH CC should request the number of hours needed over the course of a typical 31 day month.	<p>Example:</p> <p>Member is currently authorized for 20 daily units per month, and participates an average of six hours each day.</p> <p>This would be converted to T2015 for 120 hourly units per month.</p>
Members participating in Enclave	CM or IHH CC should identify how many workers are in the work crew and how many hours the member works each week. The CM or IHH CC should request the number of 15 minute units needed over the course of a typical 31 day month at the appropriate grouping tier that the member is working in.	<p>Example:</p> <p>Member is working in an enclave with five other individuals for 12 hours per week or 48 hours per month.</p> <p>This will be converted to, H2023 UF for 192 15-min. units per month.</p> <p>Member's tier remains the same day-to-day regardless of whether one member of the work crew is off sick or on vacation a particular day.</p>
Member is participating in Long Term Job Coaching	CM or IHH CC should identify how many hours the member receives of job coaching each month based on the number of hours of work for the member. The CM or IHH CC should request the Job Coaching Tier that fits with the number of hours of support the member requires over the course of a typical 31 day month.	<p>Example:</p> <p>Member is working 4 hours per week and receives 5 hours of support including transportation to and from work.</p> <p>This will be converted to 1 unit of Tier 2 - H2025 UF.</p> <p>Member is working 12 hours per week and receiving 14 hours of job coaching support each week/ 56 hours per month including transportation to and from work.</p> <p>This will be converted to 56 units of Tier 5 H2025 UI each month.</p>
Member is participating in Job Development or Employer Development	The CM or IHH CC should identify how many hours of Individual Supported Employment the member may require to obtain a job. The CM or IHH CC	<p>Example:</p> <p>Member has chosen a Supported Employment provider to assist the member with locating and securing a</p>

	should request the number of hours that the member will require over the course of a month to assist with activities to obtain a job.	job. The chosen provider indicates that they estimate it could take up to 120 hours or 10 hours per week over 12 weeks to assist the member to obtain a job. The CM or IHH CC would request 40 hours per month for 3 months.
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### **Prior Authorization Process for Prevocational and Supported Employment Services for FFS Members:**

Providers proposing to serve FFS members (members not enrolled with an MCO) shall follow these instructions for service authorization.

Prior to providing services, providers serving FFS members must submit requests for prior authorization of Prevocational or Supported Employment services to the IME Medical Services Unit by faxing the request to 515-725-1388. Requests must be submitted using the [Certificate of Medical Necessity for Prevocational and Supported Employment Services<sup>1</sup> form](#) and will include the following documentation:

- Current Comprehensive Functional Assessment
- Individual Service Plan Or Treatment Plan
- Prevocational or Supported Employment Proposed Plan of Care or current Prevocational or Supported Employment service plan
- Individualized Education Plan (IEP) for individuals age 21 and under

### **Initial Service Authorization for FFS Members:**

Prior to service delivery, the CM or IHH CC shall submit the [Certificate of Medical Necessity for Prevocational and Supported Employment Services form](#) and supporting documentation to the IME Medical Services Unit for review and approval by faxing the request to 515-725-1388.

### **Subsequent Service Authorization for FFS Members:**

Prior to the expiration of the current authorization, if the member continues to benefit from the Prevocational or Supported Employment services, the CM or IHH CC may request authorization for continued treatment by faxing the request to 515-725-1388; the request shall include the [Certificate of Medical Necessity for Prevocational and Supported Employment Services form](#) and the following documents:

- Current Comprehensive Functional Assessment or Core Standardized Assessment (CSA)
- Individual Service Plan or Treatment Plan
- Prevocational or Supported Employment Proposed Plan of Care or
- Current Prevocational or Supported Employment Service Plan
- Individualized Education Plan (IEP) for individuals age 21 and under and still in school.
- Service summary detailing the member's progress towards their goals during the previous approval period.

<sup>1</sup> <http://dhs.iowa.gov/sites/default/files/470-5051.doc>

The IME Medical Services Unit may approve a subsequent Prevocational and Supported Employment service request that conforms to the conditions of medical necessity and conditions of continued authorization in rule.

**Person-Centered Employment Service Planning Resource:**

The department, in partnership with employment stakeholders, has developed an Employment First Guidebook. This Guidebook was created to provide case managers, care managers, service coordinators and integrated health home coordinators with critical information, resources and tools to help them do the best possible job of assisting transition-age youth and working-age adults with disabilities they support to work. The guidebook may be found on the DHS [Home and Community Based Services Waiver Program](#)<sup>2</sup> web page.

**Prior Authorization Process for Members Enrolled in IA Health Link:**

Each MCO has established prior authorization procedures for covered services. Please refer to Informational Letter [1628-MC](#)<sup>3</sup> for prior authorizations for providers participating with MCOs.

MCOs are in the process of implementing system changes for these codes and associated reimbursement. Providers servicing IA Health Link members should contact their member's MCO with any questions.

**Questions and additional information:**

If you have any questions regarding the IME FFS prior authorization, please contact the IME Medical Services Unit at 1-800-383-1173 or locally in the Des Moines area at 515-256-4623, or email at [PAServices@dhs.state.ia.us](mailto:PAServices@dhs.state.ia.us)

The IME has detailed claim form instructions for all providers which are found on the DHS [Claim Forms and Instructions](#)<sup>4</sup> web page.

Questions regarding HCBS Prevocational and Supported Employment services may be addressed to LeAnn Moskowitz, Program Manager at [lmoskow@dhs.state.ia.us](mailto:lmoskow@dhs.state.ia.us).

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<sup>2</sup> <https://dhs.iowa.gov/ime/members/medicaid-a-to-z/hcbs/waivers>

<sup>3</sup> [https://dhs.iowa.gov/sites/default/files/1628-MC\\_Prior\\_Authorizations\\_PA\\_for\\_Providers\\_Participating\\_with\\_MCOs.pdf](https://dhs.iowa.gov/sites/default/files/1628-MC_Prior_Authorizations_PA_for_Providers_Participating_with_MCOs.pdf)

<sup>4</sup> <http://dhs.iowa.gov/ime/Providers/claims-and-billing/ClaimsPage>